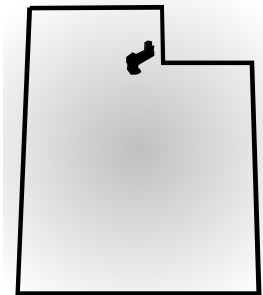


County Trends

June 2003

Morgan

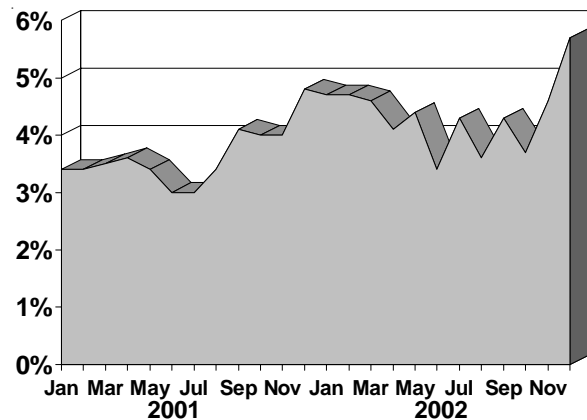


A Local Economic Perspective

Unemployment Hovering and Flat Job Growth

Unemployment rates in Morgan County have settled in the four to five percent range during third and fourth quarters of 2002. Job growth has been spotty, but mostly in a no growth position. Construction has been up over last year both in number of permits and dollar valuation. Sales, however, has dropped. Overall, the County's economy is holding its own, waiting for that economic spark to fire up business activity.

Seasonally Adjusted Morgan County Unemployment Rates



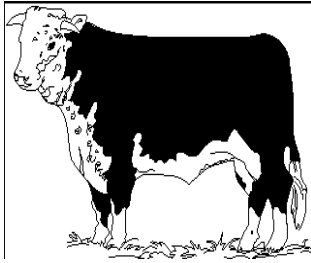
Source: Utah Department of Workforce Services.

Unemployment increases slightly from the last half of 2001

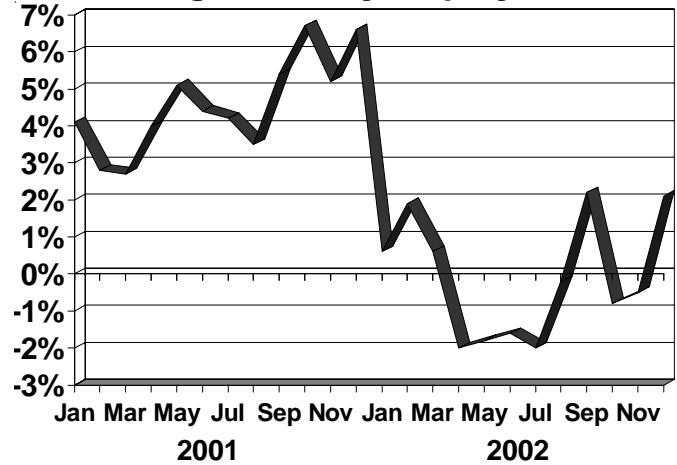
Compared to the third and fourth quarters of 2001, the rate of workers' idleness was up about half a point. Third quarter 2002's rate was four percent and fourth quarter was a little higher at 4.7 percent. Both of these rates were well below the state rate of about 6 percent for the same period. Because of the county's small size (population and employment) even small changes in the employed numbers can have a dramatic effect on the rate.

Little change occurred, in terms of total jobs, between the last half of 2001 and the last half of 2002. For all intents and purposes, employment in the county remained the same, at about 1650. Although the monthly year-over changes in jobs did bounce around the zero percent mark, the overall effect was for no change.





**Year-Over Change in
Morgan County Employment**



Source: Utah Department of Workforce Services.

To the Point

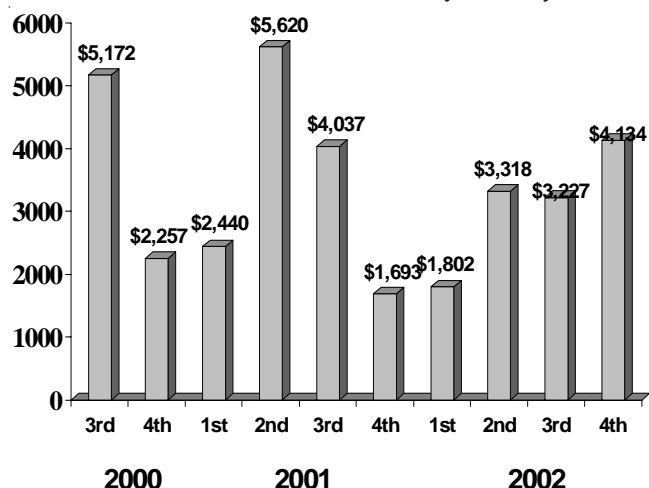
Unemployment and job growth remain nearly unchanged from a year ago. Very little economic activity anywhere is still the moniker of an economy in a holding pattern, eagerly awaiting some stimulus to jump start recovery.

Even with the totals showing little change, up or down, employment in the industries in the county did change some. The goods-production group, containing mining, construction, and manufacturing, dropped jobs in both the third and fourth quarters. Construction was down about 20 positions in both quarters. Manufacturing also lost about 20, and that was just in third quarter. In the service production group, job gainers were retail trade, transportation, and health care. Only in accommodation and food service did employment go down, and not by much. The net gain in employment in service production for third quarter was about 50. That slowed to about a increase of 40 during the last three months of 2002.

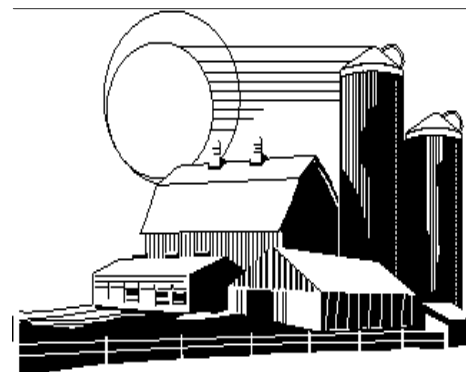
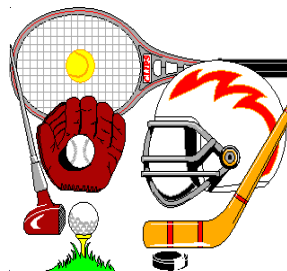
Construction activity better in fourth quarter 2002 but off during the third quarter

During the last half of 2002 permit authorized construction showed nearly a 20 percent increase over the same period in 2001. All of this occurred in the fourth quarter as third quarters dollar valuations dropped by 23 percent from the third quarter of 2001. During the six month period \$7.4 million was authorized, up from the \$5.9 million for the July through December period of 2001. The number of dwelling permits were also up. Not a tremendous

Total Morgan County Approved Construction Values (in 000s)



Source: Utah Bureau of Economic & Business Research.



volume, but 28 permits were authorized during the last half of 2002 (only 21 were authorized in 2001). Of the \$7.4 million in authorized construction, about \$5 million was for new residential construction.

Sales volume off the last half of 2002

Of all the economic indicators, the sales figures suffered the most between 2001 and 2002. Sales were down in both the third (-4.3 percent) and the fourth quarter, where total sales declined by a whopping 24 percent. The loss of sales during third quarter was small but in fourth quarter the drop lowered sales from \$15 million to \$11 million. For Morgan County businesses, this was painful since much of the year's sales volume occurs during the holiday shopping season. During fourth quarter alone, the volume of retail sales in motor vehicle dealers was down by \$2 million. When both third and fourth quarters are combined the overall decline in sales was 14 percent from a year ago.

Quick Facts

April 2003

Unemployment Rate

Morgan County	6.2%
Utah	5.3%
U.S.	6.0%

December 2002 Change from Previous Year

Job Growth

Morgan County	-0.6%
Utah	0.2%
U.S.	-0.2%

4th Qtr 2002 Change from Previous Year

Construction Values

Morgan County	-75.5%
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Sales

Morgan County	3.2%
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Source: Utah Dept of Workforce Services,
Bureau of Labor Statistics,
Utah Tax Commission,
Bureau of Economic & Business Research.

For more Morgan County economic information see:

<http://jobs.utah.gov/wi/Regions/northern/morgan/morgan2.asp>

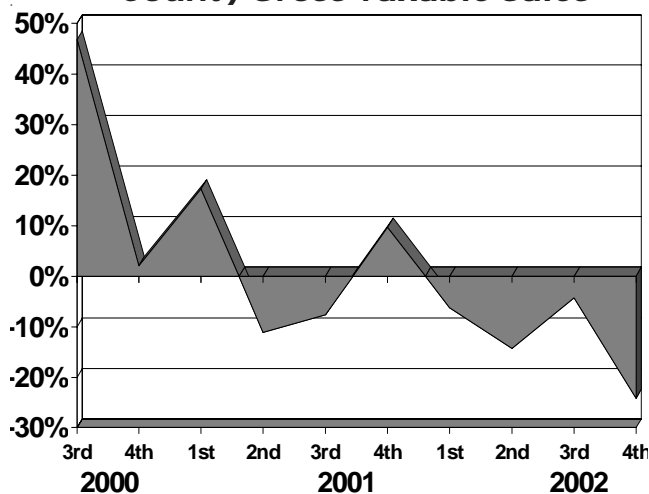
State of Utah

Utah Department of Workforce Services

140 East 300 South
PO Box 45249
Salt Lake City, UT 84145-0249

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**Year-Over Change in Morgan
County Gross Taxable Sales**



Source: Utah Tax Commission.

The mission of the Utah Department of Workforce Services is to provide quality, accessible, and comprehensive employment-related and supportive services responsive to the needs of employers, job seekers, and the community.

What's Up? 4

- Business is hopping in Morgan City. In the last six years alone, the number of businesses both general and home-occupied have increased approximately 22 percent.
- The F.E. Schumacher wood products plant in Morgan is closing after nearly 40 years in the city. The company's Morgan plant specialized in cutting wood parts from Oregon and shipping to the door division in Ohio.

For more economic events, see:

<http://jobs.utah.gov/wi/Regions/northern/morgan/morganee.pdf>



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Equal Opportunity Employment Program
Auxiliary aids and services are available upon request to individuals with disabilities. Call (801) 526-9240. Individuals with speech and/or hearing impairments may call the state relay at 1-800-346-4128

